



K. Chad Burgess
Director & Deputy General Counsel

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August 20, 2018

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: **Amendment Two to Service Agreement and Transportation Agreement
between South Carolina Electric & Gas Company and Volvo Car US
Operations Inc. Docket No.: 2016-133-G**

Dear Ms. Boyd:

On January 25, 2016, South Carolina Electric & Gas Company ("SCE&G") entered into a Service Agreement and Transportation Agreement with Volvo Car US Operations Inc. An Amendment One to Service Agreement and Transportation Agreement was entered on March 20, 2017.

Enclosed for filing only is Amendment Two to Service Agreement and Transportation Agreement between SCE&G and Volvo Car US Operations Inc.

By copy of this letter, we are providing the South Carolina Office of Regulatory Staff with a copy of the amendment.

If you have any questions, please advise.

Very truly yours,



K. Chad Burgess

KCB/ctb
Enclosures

Cc: **Jeffrey M. Nelson, Esquire**
Dawn Hipp
(both via U.S. First Class Mail w/enclosure)

This original
to be returned
to SCE&G Company

ORIGINAL

AMENDMENT TWO TO SERVICE AGREEMENT

This Amendment Two, made and entered into this 15th day of August, 2018, by and between SOUTH CAROLINA ELECTRIC & GAS COMPANY, its successors and assigns, hereinafter called "Seller", and VOLVO CAR US OPERATIONS INC., its successors and assigns, hereinafter called "Buyer".

WITNESSETH

WHEREAS, Buyer purchases natural gas from Seller's system supply under the terms of a Service Agreement dated January 25, 2016, and as amended on March 20, 2017, and

WHEREAS, Seller and Buyer desire to amend the Agreement to lower the Maximum Daily Quantity (MDQ) to 1,200 dekatherms.

NOW THEREFORE, in consideration of these covenants and agreements set forth to be kept and performed by the parties hereto, it is mutually agreed as follows:

- A. This Amendment Two shall become effective on July 1, 2018.
- B. Paragraph 1, SCOPE OF DELIVERY, is deleted and replaced with the following:
 - 1. SCOPE OF DELIVERY

(A) FIRM GAS, PRIORITY-OF-SERVICE CATEGORY 2

Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, up to the Maximum Daily Quantity of Natural Gas which shall not be subject to interruption or curtailment except for conditions as set forth in Seller's General Terms and Conditions as defined herein. The Maximum Daily Quantity of Firm Gas sold and delivered pursuant to this paragraph shall be 1,200 dekatherms per day. In the event Seller delivers to Buyer notice of curtailment limiting Buyer to the Maximum Daily Quantity and Buyer, without Seller's advance approval, takes Gas above the Maximum Daily Quantity while the curtailment is in effect, such quantities taken by Buyer in excess of the Maximum Daily Quantity shall be Unauthorized Overrun Gas and shall subject Buyer to the penalty rate per dekatherm set forth in the General Terms and Conditions. Deliveries of Firm Gas under this paragraph of the Service Agreement shall be utilized by Buyer only in Priority-of-Service Category 2 as set forth in the General Terms and Conditions.

(B) ADJUSTMENT TO MDQs

For the first year following the date of initial service, Seller shall adjust Buyer's Maximum Daily Quantity on a bi-annual basis. After the first six months from the Initial Service Date, Seller shall adjust Buyer's Maximum Daily Quantity to the greater of the Buyer's actual Maximum Daily Quantity over the first six (6) months or 500 dekatherms. After the first twelve months from the Initial Service Date, Seller shall adjust Buyer's Maximum Daily Quantity to the greater of the Buyer's actual Maximum Daily Quantity over the preceding six (6) months or 500 dekatherms.

For the second year and each subsequent year following the date of initial service, Seller shall adjust Buyer's Maximum Daily Quantity on an annual basis. The annual adjustment shall be the greater of the Buyer's actual Maximum Daily Quantity over the preceding twelve (12) months or 500 dekatherms.

- C. The term of this Amendment Two shall be the same as the term of the Service Agreement currently in effect.
- D. No other provisions of the Service Agreement between Seller and Buyer are altered by this Amendment Two.

IN WITNESS WHEREOF, this Amendment Two to Service Agreement has been executed on the date first above written by the parties hereto, by their officers or other representatives.

VOLVO CAR US OPERATIONS INC.

Buyer

By Heather Griffin

By

Senior Buyer Expert

Title

8/6/18

Date

SOUTH CAROLINA ELECTRIC & GAS COMPANY

Seller

By James E. McHale

By

General Manager Sales

Title

8/15/18

Date

AMENDMENT TWO TO TRANSPORTATION AGREEMENT

This Amendment Two, made and entered into this 15th day of August, 2018, by and between SOUTH CAROLINA ELECTRIC & GAS COMPANY, its successors and assigns, hereinafter called "Seller", and VOLVO CAR US OPERATIONS INC., its successors and assigns, hereinafter called "Buyer".

WITNESSETH

WHEREAS, Seller provides transportation service to Buyer under the terms of a Transportation Agreement dated January 25, 2016, and as amended on March 20, 2017, and

WHEREAS, Buyer and Seller have agreed to amend the Transportation Agreement between Buyer and Seller to decrease the daily delivery volumes to 1,200 dekatherms.

NOW THEREFORE, in consideration of these covenants and agreements set forth to be kept and performed by the parties hereto, it is mutually agreed as follows:

- A. This Amendment Two shall become effective on July 1, 2018.
- B. Paragraph 2. DAILY DELIVERIES is deleted and replaced as follows:
 - 2. DAILY DELIVERIES

Seller agrees to accept and transport up to 1,200 dekatherms, excluding shrinkage volumes, of natural gas on a daily basis. Buyer will notify Seller, in writing, of Buyer's intent to transport by the end of the month and will provide the estimated volumes of gas, in dekatherms, to be transported on a daily basis during the next calendar month.

Buyer has the right to change the volume to be transported during the month on a daily basis. It is Buyer's responsibility to notify producers, Seller, and connecting pipelines regarding any change in transportation volumes. Seller will accept changes in daily volumes dispatched from upstream pipelines; however, Seller reserves the right to limit or restrict the volumes accepted and transported at any time, whenever, in Seller's sole opinion, operating conditions warrant a limitation or restriction on the acceptance or delivery of transportation gas. Limitations or restrictions may be because of, but not limited to, the utilization of deliverability capacity by Seller for Seller's system supply requirements.

- C. The term of this Amendment Two shall be the same as the term of the Transportation Agreement currently in effect.

D. No other provisions of the Transportation Agreement between Seller and Buyer are altered by this Amendment Two.

IN WITNESS WHEREOF, this Amendment Two to Transportation Agreement has been executed on the date first above written by the parties hereto, by their officers or other representatives.

VOLVO CAR US OPERATIONS INC.

Buyer

Heather Griffin

By

Senior Buyer Expert

Title

8/16/18

Date

SOUTH CAROLINA ELECTRIC & GAS
COMPANY

Seller

[Signature]

By

General Manager Sales

Title

8/15/18

Date